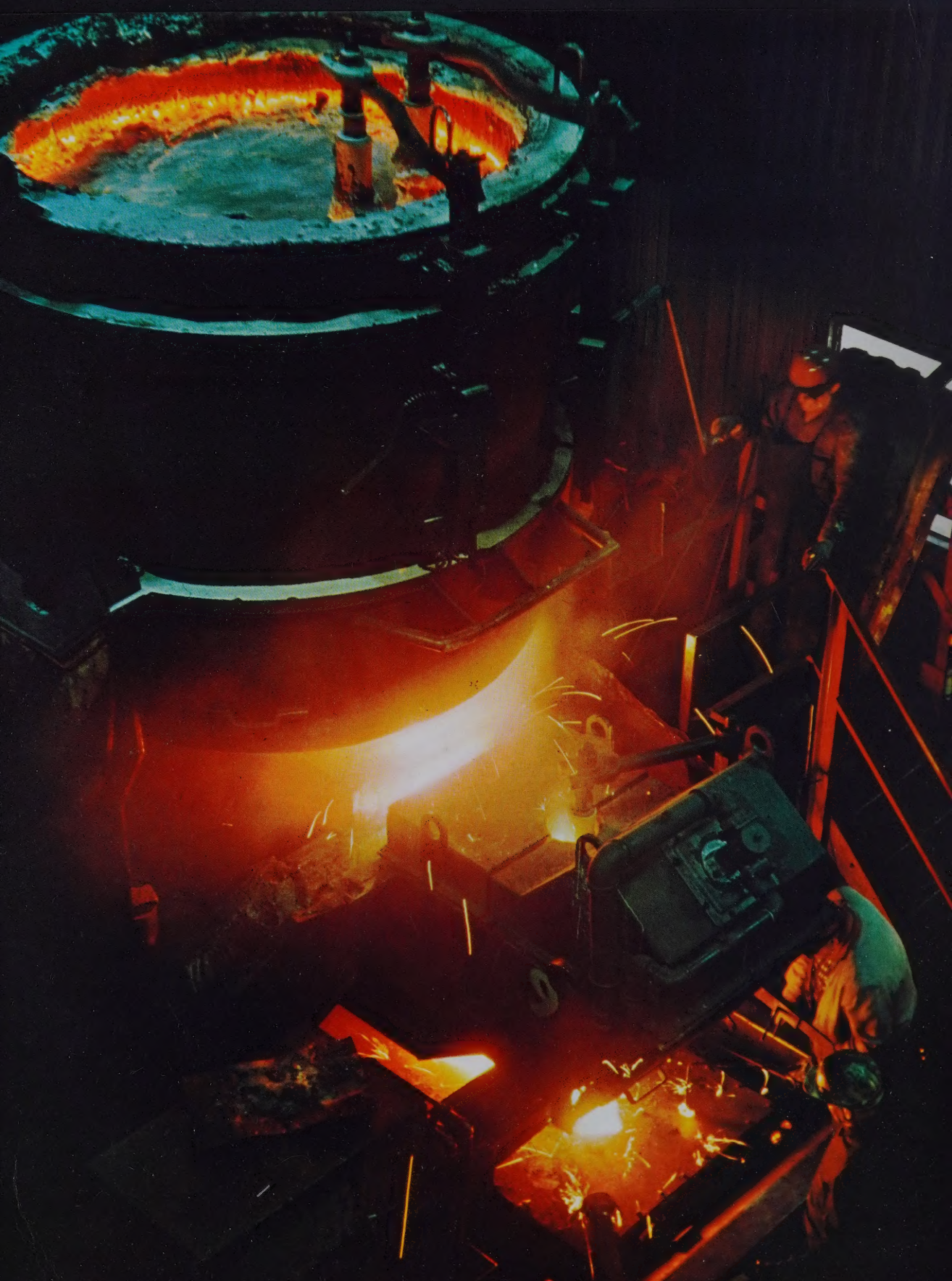


AR48

The Consolidated Mining
and Smelting Company
of Canada Limited

ANNUAL REPORT 1964

COMINCO



AR48

THE MAY 12 1964
CONSOLIDATED MINING AND SMELTING
COMPANY OF CANADA
LIMITED

REPORT OF THE
58TH ANNUAL GENERAL MEETING OF SHAREHOLDERS
MONTREAL, QUEBEC

APRIL 23, 1964

THE CONSOLIDATED MINING AND SMELTING COMPANY OF CANADA LIMITED

The following is a brief report prepared for the benefit of shareholders who were unable to attend the 58th Annual General Meeting of shareholders held at Montreal on the 23rd April, 1964.

The meeting convened at noon at the Head Office of the Company, 31st Floor, 630 Dorchester Boulevard West, Montreal.

The Chairman of the Company, Mr. R. E. Stavert, presided, and the Secretary-Treasurer of the Company acted as Secretary of the meeting.

The Notice calling the meeting having been read by the Secretary, the Chairman advised that 14,015,370 shares were represented either in person or by proxy, being 85.5 per cent of the total shares outstanding.

On motion duly seconded and unanimously carried the Directors' Report and Financial Statements for the year ended 31st December, 1963 as mailed to all shareholders was approved and adopted.

The following shareholders were elected directors of the Company for a term of two years:

R. A. Emerson
R. D. Harkness
G. A. Hart
W. S. Kirkpatrick
R. S. McLaughlin
R. D. Perry
R. E. Stavert

Messrs. Helliwell, MacLachlan & Co., Chartered Accountants of Vancouver, B.C., were re-appointed auditors for the ensuing year.

At a meeting of the Board of Directors held immediately after the shareholders' meeting Mr. R. E. Stavert announced his resignation as Chairman of the Company, following which Mr. W. S. Kirkpatrick was elected Chairman and President of the Company, Mr. N. R. Crump, Vice-President, Mr. R. Hendricks, Executive Vice-President and Mr. R. D. Perry, Vice-President, Finance.

The following were elected as the Executive Committee for the ensuing year:

W. S. Kirkpatrick
N. R. Crump
R. A. Emerson
R. Hendricks
R. D. Perry
R. E. Stavert

*Address delivered by Mr. W. S. Kirkpatrick, President,
at the Annual Meeting held at Montreal
on the 23rd April, 1964.*

FINANCIAL RESULTS IN 1963

Results of last year's activities were reviewed in the 58th Annual Report of the Directors of your Company, copies of which were mailed to all shareholders on the 26th March last. For the year consolidated net earnings at \$29,823,000 were \$6,596,000, or 28%, higher than for the previous year and were equivalent to \$1.82 per share compared with \$1.42 in 1962. Correspondingly, the dividend was increased to \$1.30 from \$1.10 per share.

Of the foregoing increase, \$600,000 was brought into 1963 earnings from provisions previously made for income tax contingencies following resolution of several Federal tax matters. Net earnings were also increased \$600,000 compared with 1962 by reduced contributions to the Pension Fund Society pending determination of the effect of proposed new Government pension plans on Cominco's arrangements. At the year-end the Pension Fund was \$47,888,000. Investment income and the net profit from sale of investments also increased 1963 net earnings by \$819,000. The balance of the increase in net earnings over those for 1962, \$4,577,000, was largely attributable to the generally higher prices received for metallurgical products.

Total sales of products at \$140,307,000 continued the steady increase shown since 1958. These sales revenues were made up of the following major categories: lead and zinc 46%, other metals 20%, fertilizers and other chemicals 34%.

LEAD

The buoyant level of business activity in 1963 resulted in a high consumption of lead throughout the free world, estimated by the International Lead-Zinc Study Group at about 2,737,000 tons. This was 4½% higher than in 1962 and a further similar increase is currently forecast for 1964. For the longer term, current projections of consumption generally show slower growth but the aggressive research and

promotional work being done by the world industry should improve the trend. Cominco continues to play a leading role in this work.

A major factor in the current strong outlook for lead is the buoyancy of the automotive industry, expected to continue through 1964. In North America storage batteries and gasoline additives account for about half the total lead consumption. However, other existing uses and potential new uses now under development are important. One project attracting current interest is the development of sound-attenuation panels based on the outstanding characteristics of lead for this service.

World production of refined lead in 1963 estimated at 2,715,000 tons was slightly below consumption, causing a reduction in stocks. With demand continuing to exceed supply in 1964, the situation will remain tight but if there is any increase in price during the year we expect it will be minor.

Towards the end of 1965, Pine Point Mines Limited, in which your Company has a majority interest, is scheduled to commence production, providing a substantial new source of Canadian lead. About the same time, important finds of lead in Missouri, U.S.A., may also come into production. Through its subsidiary, Montana Phosphate Products Company, Cominco is participating in this development. These and other developments lead us to expect that any temporary shortages will be overcome in the relatively near future and that more competitive conditions will prevail again.

Except for some small secondary lead recovery operations, Cominco is the only producer of refined metal in Canada though there are others who produce and export lead concentrates and plans are reported for a refinery to commence operation in New Brunswick about 1966. This could bring total refined lead production in Canada to about 200,000 tons annually. Mine production by 1966 could total over 300,000 tons annually.

Consumption of lead in Canada has been averaging around 50,000 tons per year, about 2% of the total free world, but extension of manufacturing is expected to cause an increase. Our Company is interested in encouraging the use of lead in Canadian manufacturing industries but with domestic consumption absorbing only a fraction of our production, we must continue to look to export markets as our major outlet.

ZINC

The world zinc industry has a long history of continuing growth and last year showed a new high consumption, estimated at over 3,200,000 tons, about 7% more than in 1962. Further increase is forecast for 1964. As in the case of lead, the automobile industry is a major factor in zinc consumption, but the metal also has applications in a wide range of products. Cominco continues active development of new uses for this metal both through its own efforts and in industry-wide associations.

In 1963 zinc supplies were less than consumption, causing a reduction in stocks and some increase in price. The tight supply situation continued into 1964 and caused a further one-half cent increase in price in both the United States and Canada a few days ago. However, recent statistics indicate a more balanced market situation and it is hoped that in the interest of consumers and the long-term health of the industry, major producers like ourselves will be successful in efforts to stabilize prices at reasonable levels.

The Canadian zinc industry is expanding considerably in both mine and refinery capacity. If presently reported plans materialize, we estimate that by 1966 refinery capacity will be approximately 450,000 tons a year. This includes our own Company's expansion to 235,000 tons, and other existing and planned operations as reported to date. At the same time, contained zinc in Canadian mine production will be about 900,000 tons, not including the new discovery near Timmins, Ontario. Canada which produced about 500,000 tons last year, just below the United States, will thus move far ahead of any other country in this respect.

With our very heavy investment in the lead/zinc industry and a large proportion of our earning potential dependent on sales of these metals, it is necessary that we do all we can to expand their use in the face of competition from other materials. As one means of achieving this objective we are taking a direct part in lead and zinc consuming industries. Last year a majority interest and management of Schultz Die Casting Company of Canada Limited was acquired by our subsidiary, National Hardware Specialties Limited. The combined capacity is now about one-quarter of the Canadian die-casting industry.

Under a toll arrangement, zinc oxide is being manufactured and marketed in Canada for us from our metal. At Trail we now have under construction a plant for the production of zinc dust, which is finding growing uses in wood pulp plants and in zinc-rich paints. At

Trail we also continue to produce zinc anodes for cathodic protection of steel. Sales of these anodes continue to grow, particularly in the United Kingdom, our major market at present for this product.

INTERNATIONAL FACTORS

Last year I commented on the London Metal Exchange pointing out that it had become an unduly sensitive pricing mechanism. At the time, lead and zinc prices had reached very depressed levels on the Exchange, but now that demand is somewhat greater than supply, it has shown characteristic instability in the opposite direction with unreasonably high prices, about 50% higher than a year ago. To further illustrate what can happen, I might point out that in the first few days of this month the price of zinc went up the equivalent of two cents per pound on the Exchange, then within a week it dropped back one cent. This sort of instability makes it impossible for consumers to plan with any degree of assurance and discourages use of the metal. It is causing us grave concern. Means must be found to avoid these violent fluctuations which are a real hindrance to the development of the industry and benefit no one but speculators.

At the present time most of our sales outside North America are based on Exchange prices, although the Exchange itself is largely used by traders and little metal is actually sold in its dealings. In North America prices do not follow the Exchange so closely and are much more stable with relatively infrequent changes. For example, in Canada where Cominco normally takes the initiative in announcing changes, the price of zinc was steady at 11.5¢ throughout the whole of 1962 until April 1963 when it was raised to 12.0¢. During 1963 two further increases of one-half cent took place in July and October, bringing the price to 13.0¢, where it remained until raised to 13.5¢ a few days ago. If the conventional relationship between London and Canadian prices had prevailed, zinc would have been selling in Canada at over 17.0¢.

In connection with our export sales of metals, we are naturally most interested in conditions of international trade and have accepted invitations to present our views to Canadian Government authorities concerned with forthcoming negotiations. As Canada's major producer of refined lead and zinc, we have consistently indicated that this Company is willing to have existing tariff protection removed. Formerly at one cent per pound lead or zinc, the rate was reduced to one-half cent

in July 1962 and we feel it could be entirely eliminated if other countries would provide corresponding concessions.

The United States' market is still restricted by quotas, unchanged since their imposition in 1958, in spite of much discussion and many representations. However, a review of the probable effects of a change in quotas is to be made by the United States Tariff Commission in June of this year and some action might be forthcoming later. We will submit our own brief to the Commission and will participate with others in joint submissions. The United States Government stockpiles of lead and zinc continue to hang over the market, providing another factor of uncertainty.

Our general objective is to promote freer international trade. Specifically, we urge that quotas be removed and that no releases be made from Government stockpiles until this has been done and until a well-developed plan of release has been prepared, taking account of the problems of both domestic and foreign producers and the needs of the industry as a whole. It must be recognized that lead and zinc are international commodities and that stockpile releases have international implications which can not be overlooked.

FERTILIZERS AND CHEMICALS

As stated in the Annual Report of the Board, total sales of fertilizers by our Company in 1963 reached a new high level, exceeding 800,000 tons and necessitating abnormal drawdown of inventories. Generally in our market areas of North America the demand for fertilizers has been strong, though growth rates differ considerably in different localities.

One of our most important marketing areas is the Canadian Prairies where we pioneered the use of fertilizers about 35 years ago. After a slow start, consumption increased to around 100,000 tons per year in the early 1950's, when there was a temporary levelling off, but over the last five years growth has been at an accelerating rate. We expect this will continue, resulting in consumption doubling or trebling over the next ten years.

This estimate recognizes that sales of grains to Communist countries will not continue indefinitely at present levels. Prior to these sales, average farm income from wheat sales had been static, whereas that from livestock has increased by nearly 40% during a ten-year period

and now represents over 40% of total prairie cash farm income. This is indicative of the increasing diversification and consequent improved stability of prairie markets for fertilizers.

British Columbia provides a relatively small though steady demand for fertilizers, in which our Company maintains satisfactory participation. In our United States market areas, consumption also continues to increase, particularly in the mid-western States where, over the next ten years, the use of nitrogen is forecast to increase at about 10% per annum and phosphate at about 6%.

In order to meet these and other market opportunities, we are extending and diversifying our distribution system and continuing to expand our production facilities. At Kimberley last month, I was present at the start-up of another of our ammonium phosphate plants. The output of this new plant, plus that of our Regina plant which will be operating by this time next year, will give us an additional 200,000 tons new capacity for ammonium phosphate, 11-48-0, the type of fertilizer most used by prairie agriculture. Capacity of the urea plant at Calgary is being doubled and other additions are being made at Trail. When projects already underway are completed early next year, our production of fertilizer will exceed one million tons annually, which is two and a half times the estimated consumption of all types of fertilizers in Western Canada.

Marketing in this area is becoming increasingly competitive. For some time there has been a phosphate fertilizer operation at Medicine Hat and it was recently announced that a phosphate plant will be added to the fertilizer operations at Fort Saskatchewan, Alberta. Also scheduled to be in operation shortly is a small unit near Winnipeg, owned 50% by private interests and 50% by a co-operative. Then, in January of this year, three co-operative organizations announced their intention to build a 225,000 ton fertilizer plant somewhere in Western Canada.

The advent of new production competing on comparable terms we expect, but we object strongly to the discrimination under which co-operatives can virtually escape corporation income tax even when they become producers and manufacturers in direct competition with investor-owned enterprises. These co-operatives enjoy all the advantages of the corporate form of organization while paying only a fraction of the tax paid by competing producers, such as Cominco. Such tax discrimination, taken to its logical conclusion, can have only one result

and that is the elimination of investor-owned undertakings where they are subject to competition from co-operatives enjoying a preferred position with respect to taxes. In addition, it should be recognized that as co-operatives continue to expand their operations at the expense of private business, the Government is being deprived of revenues and the tax burden is falling more heavily on other segments of society. We agree with many individuals and groups who have made submissions to the Royal Commission on Taxation pointing out that under present conditions the inequitable tax advantages given to these operations are jeopardizing the existence of private business.

More than half our fertilizer sales are made in the United States and with the increasing competition and growing complexities of the market, it was felt desirable to shorten the distribution chain so that there would be closer liaison with the final consumer whereby individual service could be more adequately provided. Consequently, effective at the first of this year, our subsidiary, Cominco Products, Inc., discontinued selling in the United States through agents and commenced handling its own sales. The changeover was effected smoothly, thanks to the excellent co-operation of the former agents, with whom consistently fine relations have been enjoyed since we started selling fertilizers in the United States over 30 years ago.

In 1963, because of demands of our North American markets, our off-shore sales were relatively low, comprising mainly ammonium sulphate and urea shipped to Pakistan under the Colombo Plan. Early in the year a shortage of these two products developed in world markets with a resulting improvement in price. In connection with our export business, it should be noted that most countries now admit fertilizers duty free, but Canada has a 5% tariff on imports. We have recommended to the Government that, at a suitable time in trade negotiations, an offer should be made to remove this tariff in the interests of trade liberalization.

CURRENT DEVELOPMENTS

As I have indicated on previous occasions, increasing attention is being given to all phases of marketing of the Company's products. We have extensive programs of technical research on product use, sales development and promotion, market research and related activities. Construction of our new research facility at Sheridan Park, near

Toronto, is well advanced with occupancy expected in July of this year.

Consideration is being given to operations in new locations and varieties of new arrangements including joint developments. One example is the zinc smelter, Cominco-Binani Zinc Limited, in which we have a 40% interest and which we expect will be under construction shortly. In addition to providing a new and profitable operation, it is hoped that this plant will strengthen the Company's general position in India. Another example is the Regina phosphate plant located in the market area to facilitate customer service. Also in Saskatchewan we are carrying out exploratory drilling for potash and making other studies relative to the possible production and sale of this commodity.

Our Exploration Division is forecasting increased activity in 1964. In British Columbia, nine property development programs are planned, including lead, zinc, copper and molybdenum prospects. Exploration work in New Brunswick has been continuous for the past ten years and will be carried out in several properties this year. Elsewhere in Canada our staff will be active in Quebec, Ontario, Newfoundland, Yukon and the Northwest Territories. In the United States a number of programs will be undertaken through our subsidiary, Montana Phosphate Products Company. We are also making examinations in Europe, Mexico, Australia and Thailand.

At a meeting of the shareholders of Pine Point Mines Limited on the 15th of this month a proposal was approved for financing through an issue of redeemable debentures. This was underwritten by Cominco in line with our undertaking with the Government to cause Pine Point Mines Limited to be provided with funds to bring its mine into production. At the property, stripping is proceeding in preparation for open-pit mining, scheduled to commence in the latter part of 1965. Construction work is proceeding satisfactorily with materials arriving on schedule.

As you know, the Standing Committee on External Affairs at Ottawa is now holding hearings on the Columbia River Treaty. The Treaty projects will have widespread benefits to Canadians. The Libby project on the Kootenay River is of particular importance to the Kootenay District in which our plants are located. This project would store the flood waters of the Upper Kootenay River for release during the fall and winter months to augment the normal low flows. The storage releases could have the effect of more than doubling the firm power

potential of the Kootenay River below Nelson, on which four of our power plants are located. Later this month we plan to make a submission at the External Affairs Committee Hearings supporting the Treaty and showing the resulting benefits. In view of anticipated load growth before the Columbia River development takes effect, application has been filed with the Comptroller of Water Rights in British Columbia for a licence to install the fourth and last unit at our Waneta power plant on the Pend-d'Oreille River near Trail.

Wage negotiations for our major Western operations commenced in January and we have now reached the point where a Conciliation Board has been recommended by the Conciliation Officer.

PROSPECTS FOR 1964

During the first quarter of the current year, production and sales volumes were substantially the same as in the first quarter of last year. Demand for our products continued strong, with significantly higher metal prices, and fertilizer prices showing indications of firming. As a result, net earnings for the first quarter are running about 10% higher than the average of the previous year. Present indications are that the high level of economic activity in North America and Europe will be maintained throughout the year and, therefore, we expect that earnings for 1964 will show further increase for the third consecutive year. However, with increasing activity in many of the non-revenue producing phases of the Company's business and our heavy new construction program, including commitments amounting to some \$70 million, the level of working capital at the end of 1964 will be lower than for a number of years. Further in the future, the substantial expansions in productive capacity in metals and fertilizers scheduled to come into operation in the next year or two, lead us to believe that, unless growth in world markets accelerates, supply will again outstrip demand and another period of intensive competition with lower prices will prevail.

MAR 31 1965

The Consolidated Mining and Smelting Company of Canada Limited

ANNUAL REPORT 1964

The start of casting continuous steel ingots at Western Canada Steel Limited, Vancouver, B.C. The "Con-Cast" plant is among the most modern ingot casting operations in the world. The acquisition of Western Canada Steel Limited in 1964 provided Cominco with a modern and successful steel production and marketing organization. This new interest together with the Company's iron and steel development at Kimberley provides Cominco with integrated iron and steel and a strong foundation for future growth in the industry in Western Canada.



The concentrator and mine buildings under construction at Pine Point, Northwest Territories. The plant will have a capacity of 5,000 tons of zinc-lead ore per day.

The Consolidated Mining and Smelting Company of Canada Limited

Head Office: 630 Dorchester Blvd. W., Montreal, Canada

Directors

L. J. Belnap	Gordon Farrell	W. S. Kirkpatrick*
A. L. Bishop	R. D. Harkness	R. S. McLaughlin
N. R. Crump*	G. A. Hart	D. R. McMaster
R. A. Emerson*	R. Hendricks*	R. D. Perry*

R. E. Stavert*

H. G. Welsford

*Member of Executive Committee

Officers

W. S. Kirkpatrick
Chairman and President

N. R. Crump <i>Vice-President</i>	R. Hendricks <i>Executive Vice-President</i>	R. D. Perry <i>Vice-President, Finance</i>
D. D. Morris <i>Vice-President and General Manager</i>	A. O. Wolff <i>Vice-President, Research and Corporate Development</i>	H. T. Fargey <i>Vice-President, Sales</i>
J. H. Salter <i>Assistant General Manager</i>	F. L. Hallam <i>Secretary-Treasurer</i>	L. O. Reid <i>Assistant Secretary</i>

K. E. Clare
Assistant Treasurer

Transfer Agents

The Royal Trust Company, Montreal
The Royal Trust Company, Vancouver
Canada Permanent Trust Company, Toronto
Bank of Montreal Trust Company, New York

Registrars

Montreal Trust Company, Montreal
Montreal Trust Company, Vancouver
Crown Trust Company, Toronto
Chemical Bank New York Trust Company, New York

Comparative Highlights

	1964	1963	1962	1961	1960
Sales of all products	\$170,029,000	\$140,307,000	\$131,101,000	\$124,403,000	\$115,649,000
Net earnings	39,136,000	29,823,000	23,227,000	21,435,000	23,498,000
Net earnings per share	\$2.35	\$1.82	\$1.42	\$1.31	\$1.43
Dividends declared	26,454,000	21,294,000	18,018,000	16,380,000	16,380,000
Dividends per share	\$1.60	\$1.30	\$1.10	\$1.00	\$1.00
Income, mining and property taxes	27,437,000	19,709,000	16,995,000	16,589,000	15,950,000
Depreciation and Depletion	11,741,000	10,927,000	10,433,000	10,307,000	9,700,000
Capital expenditures	43,374,000	22,732,000	13,104,000	10,877,000	16,501,000
Working capital	87,816,000	101,115,000	103,107,000	100,118,000	96,149,000
Cash and marketable securities	56,196,000	72,351,000	71,887,000	63,320,000	65,704,000
Inventories of raw materials and products	33,264,000	26,665,000	27,763,000	30,427,000	30,943,000
'Shareholders' equity	209,732,000	192,514,000	183,980,000	178,768,000	173,703,000
Equity per share	\$12.57	\$11.75	\$11.23	\$10.91	\$10.60
Number of employees at year- end of Company and its consolidated subsidiaries	9,035	7,754	7,511	7,616	7,437
Number of shareholders at year-end	35,712	35,218	35,805	34,234	35,007

Output of Principal Products

Year	Lead* Short Tons	Zinc* Short Tons	Gold* Ozs.	Silver* Ozs.	Cadmium Short Tons	Bismuth Short Tons	Tin* Short Tons	Fertilizer Short Tons	Iron & Steel Short Tons
1894 to 1954	5,556,493	3,972,236	3,622,074	302,894,012	8,229	2,126	4,371	7,349,595	
1955	149,795	190,910	89,071	10,082,187	759	80	252	688,995	
1956	149,262	193,041	97,428	11,583,530	884	78	328	693,493	
1957	144,017	189,295	95,403	10,877,532	901	73	400	662,995	
1958	134,827	193,514	69,962	12,875,160	643	86	360	702,411	
1959	140,881	194,499	66,117	9,367,029	838	91	246	676,208	
1960	160,079	194,989	77,832	8,690,244	918	124	290	726,142	
1961	172,365	193,649	66,169	8,816,141	963	152	399	714,528	32,049
1962	152,743	199,393	63,927	6,667,813	1,059	115	396	744,593	31,441
1963	155,881	194,159	67,040	6,847,606	1,019	89	508	741,102	37,678
1964	151,479	199,011	43,141	7,347,590	945	112	179	768,670	83,992
1894 to date	7,067,822	5,914,696	4,358,164	396,048,844	17,158	3,126	7,729	14,468,732	185,160

* Includes metal sold in unrefined products.

59th Annual Report of the Directors

MONTREAL, P.Q., MARCH 11th, 1965.

To the Shareholders:

The high level of business activity which prevailed in 1963 was sustained throughout 1964. Increasing world trade and widespread prosperity throughout the Western industrial nations stimulated demand for all commodities resulting in improved prices for company products, particularly lead and zinc which reached high levels. At 31% above those in 1963, earnings for 1964 were greater than for any year since 1951.

The consolidated financial statements and Auditors' Report and other information covering the affairs of the Company for the year ended December 31st, 1964 follow:

Financial

Consolidated net earnings for the year were \$39,136,000 compared with \$29,823,000 in 1963. Dividends of \$1.60 per share were declared, amounting to \$26,454,000.

The most important factor contributing to the increase in earnings was the higher prices received for lead and zinc. Earnings from chemical and fertilizer operations increased moderately over 1963.

Sales of products amounted to \$170,029,000 compared with \$140,307,000 in 1963. For 1964 total sales revenues were derived as follows: lead and zinc 51%, all other metallurgical products 21%, fertilizers 26%, industrial chemicals and others 2%.

Consolidated net capital expenditures and investments amounted to \$43,374,000. The larger items were: net investment in Pine Point Mines Limited \$14,471,000, construction of additional fertilizer production facilities at Trail, Kimberley, Calgary and Regina \$14,053,000, enlargement of the pig iron plant at Kimberley \$2,551,000, and additional power

generation and transmission facilities \$2,281,000. In addition, on July 31st, 1964 the Company issued 306,510 of its treasury shares in exchange for full ownership of the Western Canada Steel operating company. The transaction has been recorded as a pooling of the interests of the company with Cominco and accordingly the assets, liabilities and retained earnings of the company have been incorporated into the consolidated accounts.

At December 31st, working capital amounted to \$87,816,000, a decrease of \$13,299,000 during the year, accounted for as follows:

Sources:

Net Earnings	\$39,136,000
Add: Charges deducted in determining net earnings, not requiring an outlay of funds:	
Depreciation and depletion	11,741,000
Income tax provision for future years	2,900,000
Sundry non-cash items..	174,000
	<hr/>
	53,951,000

Working capital contributed on pooling of the interests of Western Canada Steel Limited with Cominco	2,652,000
	<hr/>
	\$56,603,000

Applications:

Dividends declared	26,454,000
Capital expenditures and investments	43,374,000
Increase in sundry non-current items	74,000
	<hr/>
	\$69,902,000

Decrease in working capital ...	<hr/>
	\$13,299,000

Metals

Lead production was 151,479 tons compared with 155,881 tons in 1963 and zinc production was 199,011 tons compared with 194,159 tons. The metal was derived approximately 68% from Sullivan concentrates, 14% from concentrates of other company mines, 17% from purchased ores and concentrates, and 1% from old slag stockpiles.

Ore production from the Sullivan mine was 2,711,000 tons compared with 2,595,000 tons in 1963. Production from the Bluebell lead-zinc mine was 258,000 tons compared with 256,000 tons in 1963 and from the H.B. zinc-lead mine was 478,000 tons compared with 474,000 tons. Commencing in November test shipments of zinc-lead ore from Pine Point were treated in the Sullivan mill. Ore reserves at company mines tributary to the Trail smelter (Sullivan, Bluebell and H.B.) at September 30th, 1964 were 75,600,000 tons containing 8,300,000 tons lead and zinc compared with 77,500,000 tons containing 8,600,000 tons lead and zinc at September 30th, 1963.

Relatively heavy purchases of concentrates from foreign sources were necessary to replace the lower cost metal formerly recovered by retreatment of accumulated stockpiles of zinc plant residues and lead blast furnace slag. Purchases of foreign materials will be largely eliminated when concentrates from

Pine Point Mines Limited become available.

Under prevailing favourable economic conditions free world consumption of lead and zinc in 1964 again established new high levels estimated at 2,900,000 and 3,550,000 tons respectively, exceeding the previous records in 1963 by about 8%. Consequently, in spite of increased world production, heavy liquidation of inventories and releases of 50,000 tons lead and 75,000 tons zinc from U.S. Government stockpiles, demand exceeded supply and quoted prices increased to the highest levels since the peaks caused by the Korean War, as shown in the tables below.

The high peaks and fluctuations in prices on the London Metal Exchange were not justified by the actual world supply/demand situation and caused great concern because of the fear that substitutes would be used in place of lead and zinc.

To date producers have not offered lead for sale at prices independent of the Exchange because nearly one-quarter of the metal sold comes from secondary sources. However, for zinc sold elsewhere than in North America, independent producer pricing was established in July which resulted in a price of £125 per long ton (16.8¢ Can. per lb.) compared with the existing Exchange quotation of £140. The producer quotation was reduced to £110 (14.7¢) in September and held at this level throughout the balance of the year. The new

LEAD

	New York ¢ (US) per lb.	Canada ¢ (Can) per lb.	London ¢ (Can) per lb.
December 31st, 1963	12.5	12.5	10.5*
High for 1964	16.0	15.5	20.8*
December 31st, 1964	16.0	15.5	16.5*

ZINC

	East St. Louis ¢ (US) per lb.	Canada ¢ (Can) per lb.	London ¢ (Can) per lb.
December 31st, 1963	13.0	13.0	12.8*
High for 1964	14.5	14.5	20.1*
December 31st, 1964	14.5	14.5	14.7†

* London Metal Exchange

† Producers' Basis

basis, which follows the practice in North America, has been widely adopted with greatly improved market stability. By the year-end, about 85% of the total zinc sold as refined metal and as concentrates in the free world was being sold on the basis of prices established by producers.

Cominco lead and zinc were marketed throughout the world, approximately 32% to Canada, 21% to the United States, 35% to the United Kingdom and Continental Europe, and 12% to other countries, chiefly Japan and India. The main changes in distribution, compared with 1963, were an increase in sales to Canada where the consumption was an all-time high and a decrease to the United States where the Company's participation in the quota was reduced by the advent of a new Canadian producer. Sales to India included zinc sold under the Colombo Plan.

Silver production was 7,348,000 ozs., 52% coming from company mines. The total was slightly higher than the previous year because of increased treatment of purchased lead and zinc concentrates relatively high in silver. Through the year the price held at 129.3¢ U.S. per oz. set by the United States Treasury.

Production of gold was 43,000 ozs., compared with 67,000 ozs. in 1963. Nearly all was produced at the Con mill at Yellowknife which treated 132,000 tons of ore from the Con, Rycon and N'Kana properties. This tonnage compares with 192,000 tons in 1963, the decrease being caused by a three-month shut-down of the Con mine through destruction of the surface hoist-room and winze hoist by fire in March. Exploration at this property was moderately successful in extending the limited ore reserves.

Pig iron production was 48,000 tons compared with 38,000 tons in 1963, the increase being due to start-up in October of a second furnace with capacity double that of the first unit. Sales increased correspondingly.

Cadmium production was 945 tons compared with 1,019 tons in 1963. Market demand

fell off during the year with some resultant weakening in the London price, although there was no change in Canada or the United States. Productions of bismuth, indium and antimonial lead were at normal levels but tin production was lower than in recent years, reflecting normal variation in Sullivan ore and planned accumulation of materials in process at Trail. The demand for bismuth strengthened during 1964 resulting in moderate price increases in all markets. With improved market participation sales of electronic materials and indium increased by approximately 40% compared with 1963.

The Wedge copper mine near Newcastle, New Brunswick produced 282,000 tons of ore compared with 263,000 tons in 1963. The ore was concentrated in facilities rented from Heath Steele Mines Limited producing 39,000 tons of concentrates for shipment to Japan.

Chemicals and Fertilizers

With the completion of the extension to the Kimberley plant during 1964 fertilizer production for the year was 769,000 tons compared with 741,000 tons in 1963 and sales were in line with production. Phosphate rock and phosphate concentrates for fertilizer operations were supplied by Montana Phosphate Products Company from mines near Garrison and Maxville, Montana. Difficulties in treating concentrates from Maxville restricted fertilizer production at Trail but the problems are being overcome.

For the fourth consecutive year Canadian sales reached a new record high largely because of the growing recognition of the value of fertilizers and the continuing prosperity of the Western Canadian farm economy. This rapid growth in Canadian sales limited the availability of product for the United States market although the demand in that country continued strong. In spite of substantial quantities of fertilizers purchased for resale total sales in the United States were less than in 1963. Prices throughout North America

showed little change as compared with 1963 but changes in market pattern in the United States resulted in some improvement in revenues. Product availability restricted offshore sales to Colombo Plan shipments to Pakistan and sales in Hawaii.

Sales of chemicals for non-fertilizer purposes were at record levels in Canada and the United States with increases being shown in sulphuric acid, sulphur dioxide and ammonium nitrate for explosive use. With the chlor-alkali plant extension completed at the end of 1963 production of chlorine and caustic soda was about 50% higher in 1964. All production was marketed.

Cominco's wholly-owned subsidiary, Cominco Products, Inc., took over the direct marketing of chemicals and fertilizers in the United States from the beginning of 1964 with good results and significantly lower costs. Increasingly competitive conditions in Western Canada are foreseen in 1965 as expanded facilities of existing producers and new plants come into production.

New Developments

Good progress was made in preparation for production at the zinc-lead property of Pine Point Mines Limited south of Great Slave Lake, a \$22,000,000 project. By the year-end auxiliary service buildings were nearly completed, the main mill buildings were closed in and equipment installation started. Stripping of overburden from one ore body was completed and work on a second was started. The diamond drilling program outlined several other ore bodies. Cominco continues to act as manager and agent for this subsidiary in which it has 78% ownership.

The Canadian National Railway Company made excellent progress in construction of the railway to Pine Point. Although not entirely completed it came into limited operation early in November, allowing test shipments of ore to Cominco to commence at 2,500 tons per week. Installation of Northern

Canada Power Commission's hydro-electric plant at Taltson River is proceeding on schedule and power is expected to be available late in 1965 to coincide with completion of the mill at Pine Point.

Work continued on the \$2,500,000 extension to the Trail zinc plant scheduled for completion October, 1965. It is expected that this will allow treatment at Trail of the whole output of zinc concentrates from Pine Point at scheduled rates of operation.

Expansions of chemical and fertilizer facilities under construction during the year and scheduled for completion in the first half of 1965 totalled over \$23,000,000 including an extension of the sulphuric acid plant at Trail to accommodate the sulphur gas from the zinc plant extension; a 36,500 ton per year addition to the Trail ammonia plant; a plant at Trail to produce 25,000 tons per year of zinc-carrying fertilizer (Zinc M-N-S); further extensions of the sulphuric and phosphoric acid plants at Kimberley; a fertilizer plant at Regina designed to produce 100,000 tons per year of ammonium phosphate; and a 45,000 ton per year extension of the Calgary urea plant. In addition, construction of a \$20,000,000 fertilizer plant near Beatrice, Nebraska, was started by Cominco Products, Inc. This 200,000 ton per year plant will be completed about the end of 1965 and will produce granular ammonium nitrate and nitrogen solutions.

Cominco's improved granular ammonium nitrate, first produced at the Calgary plant in 1963, continued to receive excellent market acceptance. Trail facilities are being converted to the new process at a cost of \$1,500,000 and it will be incorporated in the Beatrice plant now under construction.

During the year the Company's long range program for the development of an iron and steel industry in British Columbia achieved major progress by acquisition of the operating company of Western Canada Steel Limited. This progressive company was already a well-established steel producer with an annual capacity of 100,000 tons steel ingots, rolled

steel products and industrial fasteners. Plans are actively under way for expansion of its facilities and integration with Cominco operations at Kimberley. As part of this program the second pig iron furnace was brought into operation in October and authorization was given at the year-end for construction of a \$2,000,000 steel plant at Kimberley with initial capacity of 80,000 tons per year. Cominco thus has an integrated steel industry involving capital expenditures in the order of \$40,000,000, the first in Western Canada, and fully capable of keeping pace with market opportunities.

In line with increasing power requirements for the British Columbia operations construction of the 15-mile 230-kv transmission line from the Company's Waneta generating plant to the international boundary at Nelway, British Columbia, was completed and inter-connection established with the system of the Bonneville Power Administration in the United States. This increases materially the firm power capability of Cominco's system. Anticipating future additional needs installation of the fourth 90,000 kw unit at Waneta was authorized and the major items of equipment ordered, operation being scheduled for 1966. These additions are estimated to cost \$4,500,000.

In view of the importance of exploration and research to company growth, total expenditures in these activities were increased to \$6,000,000 in 1964 compared with \$5,500,000 in 1963.

An active exploration program was carried on throughout Canada. In addition, exploration was carried out in the United States, Western Europe and Australia through subsidiaries and in participation with other companies.

At the Magmont property in Missouri detailed diamond drilling was continued by a subsidiary, Montana Phosphate Products Company, in a joint venture with Magnet Cove Barium Corporation, a subsidiary of Dresser Industries, Inc. Estimated reserves at

the property are in excess of 15,000,000 tons lead ore containing minor values in zinc and copper. Plans are advanced for a mining and milling operation to produce about 70,000 tons lead concentrates annually. The property should be in production late in 1967 or early 1968.

A major part of the 1964 exploration expenditure involved an extensive drilling program on Cominco's potash permits near Saskatoon. The results of this work have indicated a large deposit of high grade potash. Feasibility studies were completed shortly after the year-end and, as announced in January 1965, it is now planned to bring this property into production as quickly as possible at a rate of about 1 million tons per year at a cost of approximately \$65 million. Initial production should commence in 1969.

In the latter part of 1964 the Company's research functions were reorganized to place increasing emphasis on corporate planning and development and on new areas of research. A Product Research Centre was opened at Sheridan Park near Toronto primarily to provide customer service and develop new uses of the Company's metals. Market research and sales development functions were amalgamated. A separate corporate planning section was established.

Personnel

New projects and expanded requirements at the Company's existing operations during 1964 created many new job opportunities. The total roll of Cominco and all subsidiaries stood at 9,969 at the year-end compared with 8,474 at the end of 1963. The substantial increase is caused in part by acquisitions and in part by the active construction program and increased requirements of existing operations. Most of the increase took place in British Columbia.

For all British Columbia operations new collective wage agreements were concluded effective until June 30th, 1966. During the

Trail-Kimberley negotiations there was a three-day strike commencing on July 17th. This was the first strike at these operations in 45 years and as it occurred over the week-end had no appreciable effect on overall production.

At December 31st the Pension Fund, which provides pensions for retired employees, amounted to \$49,000,000. During the past year 122 pensions were granted and at the year-end 1,158 pensioners and widows of former employees were receiving pensions compared with 1,091 at the end of 1963.

The number of accidents suffered by Cominco employees increased in 1964 over the low levels of recent years reflecting, in part, the active construction program. Emphasis on accident prevention is being intensified to reverse this upward trend.

At the Board meeting held on April 23rd, 1964 immediately after the Annual General Meeting, Mr. R. E. Stavert, who had been Chairman of the Company since 1959, retired and Mr. W. S. Kirkpatrick was elected Chairman and President. Mr. Stavert joined the Company in October 1934, was elected a Director in 1941 and held the office of Presi-

dent from April 1945 until April 1959. Mr. Stavert continues as a Director of the Company and a member of the Executive Committee of the Board, in which capacity his long experience and knowledge of the affairs of the Company will continue to be available.

At the same meeting Mr. R. D. Perry, formerly Vice-President at Montreal, was elected to the new position of Vice-President, Finance.

On April 30th, 1964 Mr. G. A. Wallinger, having reached retirement age after more than 44 years of outstanding service to the Company, retired as Vice-President and Comptroller.

The Directors again express their appreciation to the employees who have contributed to the continued progress of the Company.

On behalf of the board,



Chairman and President.



Preparing for open pit zinc-lead mining operations at Pine Point.

The phosphate rock concentrator of Montana Phosphate Products Company in Southwestern Montana.



The Consolidated Mining and Smelting Company of Canada Limited
and its Wholly-Owned Subsidiary Companies

Consolidated BALANCE SHEET

Assets

	1964		1963	
CURRENT ASSETS:				
Cash	\$ 5,397,000		\$ 6,051,000	
Notes, loans and other short term investment contracts	31,630,000		22,415,000	
Government and municipal bonds (market value: 1964, \$18,946,000; 1963, \$43,754,000)	19,169,000		43,885,000	
Accounts receivable and accrued revenue, less allowance for doubtful accounts	24,923,000		22,467,000	
Prepaid charges	3,861,000		3,412,000	
Inventories of raw materials and products, valued at cost or market, whichever is lower	33,264,000		26,665,000	
Stores and materials, valued at cost less depreciation	9,433,000	\$127,677,000	8,255,000	\$133,150,000
INVESTMENTS AND SUNDRY NON-CURRENT ASSETS:				
Investments in unconsolidated subsidiary companies (including shares at cost 1964, \$13,681,000; 1963, \$13,445,000)	33,421,000		19,636,000	
Investments in other companies	3,644,000		3,714,000	
	37,065,000		23,350,000	
Less: accumulated provisions against depreciation of investments in mining companies	5,577,000		5,577,000	
	31,488,000		17,773,000	
Deferred charges	114,000		284,000	
Sundry loans and accounts receivable	925,000	32,527,000	851,000	18,908,000
PROPERTY, BUILDINGS AND EQUIPMENT:				
Mines and mineral rights at cost and land, buildings and equipment at cost, less depreciation written off and sales at realized prices	185,420,000		165,135,000	
Less: accumulated depletion and depreciation	88,959,000	96,461,000	91,194,000	73,941,000
		\$256,665,000		\$225,999,000

as at December 31st, 1964 With Comparative Figures for 1963

Liabilities and Shareholders' Equity

	1964	1963
CURRENT LIABILITIES:		
Accounts payable	\$14,722,000	\$ 11,614,000
Accounts payable to unconsolidated subsidiary companies	885,000	94,000
Estimated income and mining taxes payable	10,891,000	8,849,000
Dividends payable	<u>13,363,000</u>	<u>11,478,000</u>
	\$ 39,861,000	\$ 32,035,000
FUNDED DEBT OF A SUBSIDIARY COMPANY . .		
	1,590,000	—
ACCUMULATED TAX REDUCTIONS APPLICABLE TO FUTURE YEARS.		
	5,482,000	1,450,000
SHAREHOLDERS' EQUITY:		
Capital:		
Authorized — 20,000,000 shares of no par value; issued and fully paid — 16,688,155 shares (1963 — 16,381,645)	24,651,000	23,967,000
Insurance reserve	3,951,000	3,946,000
Retained earnings	<u>181,130,000</u>	<u>164,601,000</u>
	209,732,000	192,514,000
COMMITMENTS AND CONTINGENT LIABILITIES:		
	1964	1963
Commitments under construction in progress not to exceed	\$10,000,000	\$5,900,000
Sundry guarantees, commitments and claims (estimated)	4,600,000	3,100,000
On behalf of the Board:		
W. S. KIRKPATRICK } R. HENDRICKS }	<u>\$256,665,000</u>	<u>\$225,999,000</u>
Directors		

The Consolidated Mining and Smelting Company of Canada Limited
and its Wholly-Owned Subsidiary Companies

Consolidated Statement of Earnings

For the year ended December 31, 1964

(With comparative figures for 1963)

	1964	1963
Sales of products	\$170,029,000	\$140,307,000
Other revenue	4,279,000	3,484,000
	<u>174,308,000</u>	<u>143,791,000</u>
COST OF SALES:		
Raw materials and products on hand at beginning of year .	26,665,000	27,763,000
Production, selling and general expenses (legal remuneration 1964, \$150,000; 1963, \$141,000 and interest on funded debt of a subsidiary 1964, \$43,000)	85,592,000	77,553,000
Custom ores and other materials purchased	24,669,000	11,783,000
Executive officers' fees and remuneration	492,000	525,000
Directors' fees and remuneration	29,000	22,000
	<u>137,447,000</u>	<u>117,646,000</u>
Deduct: Raw materials and products on hand at end of year	33,264,000	26,665,000
	<u>104,183,000</u>	<u>90,981,000</u>
	70,125,000	52,810,000
Add:		
Income from investments	4,051,000	4,502,000
Net gain from sale of investments	801,000	338,000
	<u>74,977,000</u>	<u>57,650,000</u>
Deduct:		
Provision for depreciation of plant and equipment	11,585,000	10,927,000
Provision for depletion	156,000	—
Provision for income and mining taxes	24,100,000	16,900,000
	<u>35,841,000</u>	<u>27,827,000</u>
Net earnings, to statement of retained earnings	<u>\$ 39,136,000</u>	<u>\$ 29,823,000</u>
Net earnings per share	\$2.35	\$1.82

Consolidated Statement of Retained Earnings

For the year ended December 31, 1964

(With comparative figures for 1963)

	1964	1963
Amount at beginning of year	\$164,601,000	\$156,072,000
<i>Add:</i>		
Retained earnings of Western Canada Steel Limited on pooling of its interests with those of the Company	3,847,000	—
Net earnings per statement of earnings	39,136,000	29,823,000
	<u>207,584,000</u>	<u>185,895,000</u>
<i>Deduct:</i>		
Appropriation for dividends, \$1.60 per share in 1964 (1963 — \$1.30)	26,454,000	21,294,000
Amount at end of year, to balance sheet	<u>\$181,130,000</u>	<u>\$164,601,000</u>

Auditors' Report

STATEMENT AS TO UNCONSOLIDATED SUBSIDIARY COMPANIES

Except to the extent of dividends received from unconsolidated subsidiary companies and additions made to the allowance for depreciation of investments, neither profits nor losses of unconsolidated subsidiaries, so far as they concern the parent company, have been dealt with in the accounts of the parent company for 1964 or prior years. The excess of the parent company's proportion of profits over the dividends received is greater than its proportion of losses of unconsolidated subsidiary companies for which no allowance has been made. The balances of profits (less dividends) and losses, as well as development and maintenance expenses of certain unconsolidated subsidiary mining companies which were not in production, are carried forward in the accounts of the subsidiary companies.

Vancouver, B.C., February 22, 1965.

HELLIWELL, MACLACHLAN & CO.,
Chartered Accountants.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of The Consolidated Mining and Smelting Company of Canada Limited and its wholly-owned subsidiary companies as at December 31, 1964, and the related statements of earnings and retained earnings for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, according to the best of our information and the explanations given to us and as shown by the books of the companies, the balance sheet and the related statements of earnings and retained earnings are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company and its wholly-owned subsidiaries as at December 31, 1964, and the results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Vancouver, B.C., February 22, 1965.

HELLIWELL, MACLACHLAN & CO.,
Chartered Accountants.

Designed for plant scale research, this continuous lead sheet casting machine is in operation at Cominco's Product Research Centre, Sheridan Park, Ontario. Patterned after original research at Trail, the machine is the first of its kind in North America.



Principal Active Subsidiary and Affiliated Companies

Included in Consolidation

Cominco Products, Inc. — 100% owned.

President — F. E. Burnet.

Head Office: Spokane, Washington, U.S.A.

To date, major activity of this company has been to warehouse, mix and market Cominco fertilizers in the United States but it now has under construction a 200,000 ton per year fertilizer plant near Beatrice, Nebraska. The company also markets metal products and manufactures and markets preforms for the electronics industry. Sales taken into revenue in 1964 totalled \$28,516,000 (U.S.).

Montana Phosphate Products Company — 100% owned.

President — F. E. Burnet.

Head Office: Spokane, Washington, U.S.A.

This company holds phosphate reserves in Montana and in 1964 produced and sold to Cominco for the Trail and Kimberley operations 384,000 tons of phosphate rock from Garrison and 94,000 tons of phosphate concentrates from the new Douglas Creek mine and mill near Maxville. The company also carries out mineral exploration in the United States and is bringing into production an important lead property in Missouri jointly with Magnet Cove Barium Corporation.

National Hardware Specialties Limited — 100% owned.

President — J. F. Buckingham.

Head Office: Dresden, Ontario.

This company owns and operates a zinc die-casting plant at Dresden and through its subsidiary, Luster Corporation of Canada Limited, operates a plating plant at Wallaceburg, Ontario. It also has a majority interest in Schultz Die Casting Company of Canada, Limited. Sales from the three operations totalled \$5,709,000 in 1964.

Western Canada Steel Limited — acquired by Cominco in 1964. 100% owned.

President — G. H. D. Hobbs.

Head Office: Vancouver, B.C.

This company owns and operates a steel plant in Vancouver and on adjoining Twigg Island. It has an annual capacity of 100,000 tons steel ingots, rolled steel products and industrial fasteners. Sales taken into revenue in 1964 totalled \$11,577,000. The company has 50% interest in Hawaiian Western Steel Limited of Honolulu.

Other Subsidiary Companies

West Kootenay Power and Light Company, Limited.

President — R. G. Anderson.

Head Office: Trail, B.C.

Cominco holds all the common shares and 24% of the preferred shares of this company which owns and operates a hydro-electric power plant on the Kootenay River and a distribution system providing public utility service in southern British Columbia. In 1964 total sales of firm energy were 466,907,424 kwh. The company also operates Cominco's hydro-electric plants under management contract.

Pine Point Mines Limited — 78% owned.

President — W. G. Jewitt.

Head Office: Trail, B.C.

Cominco acts as manager and agent for this company. The major asset is the large zinc-lead property near Pine Point, N.W.T. now being prepared for production. Initial shipments of high grade ore to Cominco commenced in November and will continue until full scale operations start towards the end of 1965.

Pacific Coast Terminals Co. Ltd. —
72% owned.

President — W. S. Brown.

Head Office: New Westminster, B.C.

This company owns and operates storage warehouse and dock facilities at New Westminster, B.C., and operates bulk-loading facilities at Port Moody, B.C., owned by its 71% subsidiary Pacific Coast Bulk Terminals Limited. Net earnings in 1964 totalled \$351,000.

Rycon Mines Limited — 60% owned.

President — B. E. Hurdle.

Head Office: Yellowknife, N.W.T.

Cominco mines and treats the gold ore of this company in conjunction with the adjoining Con operations in the Northwest Territories. In 1964 44,000 tons of ore were mined.

Coast Copper Company Limited —
83% owned.

President — B. E. Hurdle.

Head Office: Trail, B.C.

This company owns a copper mine in northern Vancouver Island which Cominco operates under management contract. In 1964 306,000 tons of copper ore were mined and treated in Cominco's adjoining mill at Benson Lake. Resulting copper and iron concentrates were shipped to Japan.

Sunro Mines Limited — 77% owned.

President — B. E. Hurdle.

Head Office: Trail, B.C.

This company has a copper property on Vancouver Island being operated under lease by Cowichan Copper Company.

Affiliated Companies

Cominco Binani Zinc Limited.

Chairman — G. D. Binani.

Head Office: Calcutta, India.

This company, in which Cominco has a 40% interest, was incorporated in 1962 by Cominco and Metal Distributors Limited of Calcutta. Under contract, Cominco is supervising construction of a 22,000 ton zinc smelter and sulphuric acid plant near Cochin in southwest India for Cominco Binani Zinc Limited. At the year-end, design work was about 55% complete and preparation of the site and excavation for plant buildings were in progress with erection of some buildings commenced. It is expected that the plant will be commissioned sometime during the second half of 1966.

Cominco-Gardner, G.m.b.H.

Chairman — J. A. MacKinnon.

Head Office: Dusseldorf, West Germany.

This company was established in 1963 by Cominco and Henry Gardner & Co. Limited of London who each hold 50% interest. Its purpose is to promote sales of Cominco metals in Europe and otherwise engage in marketing activities. Sales in 1964 totalled \$9,600,000.

Products

Metals

Lead • Zinc • Silver
Bismuth • Cadmium
Indium • Gold
Antimonial Lead • Zinc Dust
Pig Iron • Copper and Tin Concentrates

Fabricated Metal Products

Zinc Extrusions • Zinc Die Castings
Cadmium and Zinc Plating Anodes
Zinc Anodes for Cathodic Protection
Steel Fasteners • Light and Medium Structural Steel Products

Electronic Materials*

High Purity Metals (99.999% and 99.9999% Pure)

Aluminum • Antimony
Arsenic • Bismuth
Cadmium • Gold • Indium
Lead • Silver • Tin
Tellurium • Thallium • Zinc
Preforms also available

Compound Semiconductors

Indium Antimonide
Indium Arsenide

Thermo-Electric Materials

Bismuth Telluride

* Available in fabrications to customers' specification.

Chemical Fertilizers

Ammonium Sulphate
Ammonium Nitrate
Urea
Anhydrous and Aqua Ammonia
Nitrogen Solutions
Ammonium Phosphates
Ammonium Nitrate-Phosphates
Complete Fertilizers
Ammonium Phosphate Solutions
Phosphoric Acid
Nitrogen-Sulphur Solutions
Zinc Fertilizer Compound

Chemicals

Ammonia • Urea
Chlorine • Caustic Soda
Sulphuric Acid • Oleum
Sulphur Dioxide • Urea Feed Compound

TADANAC BRAND

COMINCO BRAND

ELEPHANT BRAND

are registered
trade marks of the Company

